REMARKS OF COMMISSIONER MICHAEL J. COPPS FCC HEARING ON MEDIA OWNERSHIP HARRISBURG, PENNSYLVANIA FEBRUARY 23, 2007

Welcome to this third of the FCC's six official hearings on media ownership. This meeting today will take us half way through the number of meetings the Chairman has agreed to hold, but I don't think we're anywhere near amassing half the information we need to have in order to make really informed decisions about the future of our media. You know, communications accounts for about one-sixth of the U.S. economy and represents, I believe, the most powerful business in America. And when it comes to media, I don't think anything rivals not just the economic, but the social and cultural and political impact of those who decide what we as citizens will see and hear and read. That's why this issue about the future of our media how few are going to be allowed to own how much, and what public interest standards media should be expected to operate under—is so important to each of us. It goes to the kind of entertainment programming we receive—whether we'll have ever more of nationalized and homogenized and often graphically violent fare—and it goes to the vitality of our civic dialogue and whether media will cover issues of real importance to the future of our local communities and our entire nation. I have been in scores of media markets across this nation over the past five years, trying to understand how various localities are faring under the tremendous consolidation that has overtaken America's media during the past decade and more. Today we come to Harrisburg to learn from our distinguished panel and, even more importantly, from members of this audience how you think the Harrisburg media is doing in serving you on your airwaves. We want to understand your history, your experiences, your satisfaction—or dissatisfaction—with the current media environment. We want to know whether the broadcasters who use the *public* airwayes—for free, by the way—are actually serving your interest, the public interest.

As I attend citizens' meetings around the country, I try to focus on specific problems, and that's what I'd like to do for a minute or two this morning. I think it's especially appropriate that we're gathered here in the capital of the Keystone State, because I can't think of an area of more vital public concern than how well state government is covered by the press. After all, we live in an era when ever greater power is being exercised by statehouses—control over issues like energy, education in our high schools and elementary schools, higher education in our state universities, the environment, homeland security, immigration, transportation, prisons, criminal sentencing, heath care, welfare, ID cards, and the list goes on. Our nation's 7,400 state legislators now enact around 40,000 new laws *every year* and allocate roughly \$1.3 trillion in state funds. It's where *a lot* of action takes place. My question is this: Is your Harrisburg media, your Pennsylvania media, telling you what you need to know about all this?

Now, I know some people who are really wired and plugged in and who always manage to find out what *they* need to know. That would be the lobbying community. Given the well-documented shift in power between federal and state authorities, the state lobbying business has sky-rocketed. There are now around 40,000 registered state-level lobbyists. That's five for every legislator. That's right—five lobbyists per state legislator! Their number differs depending upon the state. New York is at or near the top with 20 lobbyists per legislator. Pennsylvania is, happily, more modest—only two per legislator! Maybe that makes you feel better, but it doesn't

do a lot for me, I've got to tell you. And here's the kicker—according to the Center for Public Integrity, lobbying at the statehouse level was a *\$1.16 billion business* in 2005.

So what does this all mean for your state and your community? Well, in preparation for today's hearing, I looked over some of the available statistics about statehouse reporting. I couldn't believe how bad the news was. I learned, for example, that there are only about 500 reporters these days covering statehouses in *the entire country*—and that is a number that has been steadily declining for decades. That works out to ten per state—for all forms of media—with only a handful, sometimes as few as two, in our smaller states.

Contrast that with what we've got at the FCC back in Washington. I'd say there are roughly 30 reporters who cover our little agency day in and day out for a variety of general interest publications and trade outlets. Now I certainly wish the mainstream press paid even more attention to what the FCC does—like the issues of media ownership and regulation that we are here to discuss today. But overall I think it's correct to say that most reporters try to provide the American public with a pretty fair idea of what's going on with federal communications regulation. And I can certainly tell you that media scrutiny is a critical check that helps direct our decisions towards serving the public interest and not just the special interests.

But what happens when entire statehouses don't have anything close to this level of media attention? Yes, of course, a few times a year when a state legislature passes a really big bill there will usually be a story in most local papers and on most nightly newscasts. But there's a huge difference between an occasional story by a generalist reporter and sustained attention by a beat reporter who is conversant in the substantive issues; who understands an institution's make-up and procedures and history; and who has a roster of trusted, carefully cultivated sources that can help put the day-to-day events in a broader context.

Good, experienced beat reporters see the forest and not just the trees and can help readers or viewers understand how arcane policy debates affect their daily lives. These are the reporters who, over time, develop a sixth sense for when something isn't quite what it appears, who can see the connections and consequences that the official version of events doesn't disclose. These are the specialists who write groundbreaking investigative pieces about wrongdoing in the state lottery office or the trucking commission, who expose the effects of the revolving door and the links between past campaign contributions and current legislation, and who can take on the difficult task of exploring whether rules passed years ago have played out in the real world as the proponents originally promised. It can take years to develop this ability—it's not just a matter of intelligence or hard work or getting a journalism degree; it's also about spending month after month, year after year, learning how a complex institution actually works and how to ask the right people the right questions.

Now compare that ideal with what one dejected political reporter told the *American Journalism Review* about his beat: "There are some state offices, like the Department of Insurance, that haven't seen a reporter in years." Justice Brandeis once remarked that sunshine is the best disinfectant and electric light is the best policeman. It makes you wonder what is growing in some of the government offices that haven't been getting very much of either. And lest we forget, the huge corporations with their multi-million dollar lobbying budgets have a *very* good idea what the Department of Insurance and the other branches of state government are up

.

¹ Charles Layton and Jennifer Durroh, "Sad State," *American Journalism Review*, June 2002, available at http://www.ajr.org/article_printable.asp?id=2562.

to. Aren't you as citizens entitled to the same? That's what a vigorous press is all about. It brings transparency and accountability to government. It empowers citizens like you and me.

Thinking about issues like these really brings home just what is at stake when we talk about the effects of media consolidation or cross-ownership. A merger between two newsrooms usually means one less statehouse reporter. (It also typically means one less environmental reporter, one less education reporter, and so on). Five or six mergers in a state over a decade can mean going from hearty, vigorous competition among statehouse press correspondents for the next scoop to less than a handful of overworked reporters struggling just to keep up day-to-day. I remember one of the first media consolidation meetings I attended a few years ago—in Phoenix. A former mayor told how when he was in office and the city council was meeting and they'd decide to take a few minutes break, they'd open the door to the hallway and four of five reporters who had been trying to eavesdrop would fall through the doorway. Then media consolidation hit, community news coverage was cut back, and so nowadays when the city council takes its break and opens that door... there is often no reporter there. So we're paying a price in many places that I've visited. And I want to know if you're paying a price here in Harrisburg and across this state, too.

Don't believe anyone who tells you that big media's push for more consolidation has gone away. I've seen their very recent pleadings at the FCC. They're still marching along behind that same Pied Piper of Consolidation they've been following for years. They haven't gone away, and their lawyers and lobbyists haven't gone away either. They have money and they have power. So if we are going to succeed in this—and go on from there to a broader national dialogue on the future of the media in our democracy—a discussion that has been too long delayed and too long denied—it will be because of citizen action from millions of Americans and testimony at hearings like this one.

I think we have a chance to repair the damage. You know, three years ago when former FCC Chairman Michael Powell rammed his ill-advised new rules allowing fewer media players to buy up more media outlets, three million people contacted the FCC to voice their outrage. Congress joined in and then the Third Circuit Court of Appeals right here in this state decided those rules were badly flawed—both substantively and procedurally—and sent them back to us. Well, I'm going to be doing everything I can to make sure we don't have a repeat of the Powell near-catastrophe. But I'm not stopping there because I think now we can stop playing just defense and go on the offense and talk about more than avoiding bad new rules—we should revisit the bad *old rules* that got us into this mess in the first place. And we should go on from there to restore meaningful public interest responsibilities on our broadcast media—like an honest-too-goodness licensing system that doesn't grant licenses slam-dunk automatically but stops to judge if a license-holder is really doing its job to serve the common good. Or, making sure that all that new digital multi-cast capability we're giving broadcasters returns something positive for our communities and local talent and civic issues coverage. So there is a lot to be done, but I'm more optimistic about it right now than I've been at any time since joining the Commission.

Thanks for coming out this morning and I look forward to hearing from you.